Postal Regulatory Commission Submitted 8/5/2020 12:37:25 PM Filing ID: 114116 Accepted 8/5/2020

BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268–0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE
CONTRACT 122 (MC2020–6)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2020-7

USPS NOTICE OF AMENDMENT TO PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE CONTRACT 122, FILED UNDER SEAL

(August 5, 2020)

The Postal Service hereby provides notice that the terms of Priority Mail & First-Class Package Service Contract 122, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail & First-Class Package Service Contract 122 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective three business days following the day that the Commission completes its review of this filing.

This amendment will not materially affect the cost coverage of Priority Mail & First-Class Package Service Contract 122. Therefore, the supporting financial documentation and financial certification initially filed in this docket remain applicable. The Postal Service hereby incorporates by reference the Application for Non-Public Treatment originally filed in this docket, for the protection of the customer-identifying information that has been filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

Sean C. Robinson

475 L'Enfant Plaza, SW Washington, D.C. 20260-1137 (202) 268-8405 Sean.C.Robinson@usps.gov August 5, 2020

ATTACHMENT A

REDACTED AMENDMENT TO

PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE CONTRACT 122

AMENDMENT #1 OF SHIPPING SERVICES CONTRACT BETWEEN THE UNITED STATES POSTAL SERVICE

AND

REGARDING PRIORITY MAIL AND FIRST-CLASS PACKAGE SERVICE

WHEREAS, the United States Postal Service (the "Postal Service") and ("Customer") entered into a Shipping Services Contract, PM-FCPS Contract 122/Docket No. CP2020-7 regarding Priority Mail and First-Class Package Service on September 16, 2019.

WHEREAS, the Parties desire to amend the terms in Sections I.B, adding new Table A.1, amend Section I.F, and Section V of the Contract.

NOW, THEREFORE, the Parties agree that the Contract is hereby amended as detailed below. The existing Contract remains unchanged in all other respects. This Amendment shall become effective three (3) business days following the day on which the Commission issues all necessary regulatory approval.

[Replace Sections I.B, add new Table A.1, replace Sections I.F, add new Section I.L and replace Section V, as follows.]

I. Terms

- B. This Contract applies to Customer's inbound and outbound packages (collectively "Contract Packages"), excluding packages originating from and/or addressed to ZIP Codes in Table A.1 below, as follows:
 - 1. Priority Mail weight-based packages that do not exceed
 - 2. Priority Mail cubic packages that do not exceed

and

3. First-Class Package Service – Commercial packages that do not exceed



F. Price Calculation.

- 1. From the effective date of this Amendment through September 30, 2020, Customer will receive Tier 4 discounts for Priority Mail Contract Package and Tier 5 discounts for First-Class Package Service Contract Packages, pursuant to Tables 4 and 10 below. Beginning October 1, 2020, subsequent tier pricing will be determined by the quarterly average of Total Priority Mail Packages and Total First-Class Package Service Packages shipped during the term of this Contract provided that shipping history prior to July 1, 2020 is excluded from the quarterly average calculation. If the quarterly average of Total First-Class Package Service Packages shipped falls below the minimum volume set for Tier 1 pricing, the Postal Service in its sole discretion has the right to revert Customer to the most current First-Class Package Service-Commercial prices for the subsequent Contract Quarter. Notwithstanding, the Postal Service may provide Customer with access to a higher tier than the tier earned per the calculation in this section and Section I.F.2 below at its sole discretion.
- 2. Contract Package discounts for this Contract will be based on a rolling four (4) quarter average. Effective October 1, 2020, the average will be based on the number of Total Priority Mail Contract Packages and the number of Total First-Class Package Service Contract Packages shipped divided by the number of full Contract Quarters achieved. For example, the quarterly average of Total Packages shipped for the period July 1, 2020 through September 30, 2020, will determine the tier pricing as of October 1, 2020. At the conclusion of the first four (4) full Contract Quarters, pricing for subsequent quarters will be calculated by the number of Total Priority Mail Contract Packages and the number of Total First-Class Package Service Contract Packages shipped in the previous four (4) Contract Quarters divided by four (4). The Postal Service will calculate the number of Total Priority Mail Contract Packages and the number of Total First-Class Package Service Contract Packages shipped and the number of applicable Contract Quarters to calculate and apply the appropriate rate table within fifteen (15) calendar days of the conclusion of that Contract Quarter. Tables D and E below illustrates the method in determining tier level and corresponding prices.

V. Appeals

Customer may appeal a Postal Service decision regarding the calculation of prices, the amount of postage paid, or other implementation or operational issues under this Contract by submitting a written appeal via email, along with any and all supporting documentation, within thirty (30) calendar days of receipt of notification of the determination giving rise to the appeal to:

The appeal is forwarded to the Pricing and Classification Service Center (PCSC). The PCSC manager issues the final agency decision. Any decision that is not appealed as prescribed becomes the final agency decision.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed as of the later date below:

UNIT	ED STATE DOCUSIGNED by: CED VICE
Signed	ED STA Docusioned by: VICE Timothy Costello d by:
Printed Name: Timothy R. Costello	
	Vice President Sales
_	7/16/2020
Date	